

Land Use & Economic Development Element

The South Lewis County Subarea is large and diverse. The Subarea is approximately 105 square miles, or 67,690 acres, in size. The land use in the area ranges from urban residential and commercial development in the cities to large lot (1 square mile) forestlands in the rural areas. There are 7,303 parcels in the Subarea with an average parcel size of almost 8 acres and a median parcel size of approximately 3 acres. Approximately 4,350 of the parcels, or 57%, are developed with a structure, while the remaining 43% are vacant. The Subarea had an estimated 2008 population of 9,450, which results in an overall density of 90 people per square mile or 0.14 people per acre.

Current Land Use

According to the Lewis County Assessor's records, the majority of the land in the South County Subarea is devoted to forestry (42%) and agriculture (26%). Approximately 28% of the land either is used for residential or is undivided residential land. The remaining uses (park/recreation, services, open space, transportation, manufacturing, retail, and other uses) account for only 4% of the land use in the South County Subarea. Current use does not necessarily reflect Comprehensive Plan Land Use designations nor current zoning.

Lewis County Comprehensive Plan and Zoning

The Lewis County Comprehensive Plan was approved in 1999, amended in 2002, and is currently being updated. The Cities of Toledo, Vader, and Winlock regulate development within their city limits. Development within the Urban Growth Areas associated with the cities in the County is regulated by Lewis County Code Chapter 17.15 wherein the County has adopted comprehensive plans and development regulations of the cities either by reference or by inter-local agreement. The County applies these regulations to development within the UGAs to ensure consistency with development within the cities. .

The Lewis County Comprehensive Plan provides the policy basis for land use and development in rural areas. The Comprehensive Plan identifies different rural area development guidelines for each Comprehensive Plan designation.

The current zoning in the South County Subarea is a mix of mostly rural zones. Cities, their UGAs, and County UGAs make up just over 5% of the Subarea. The Rural Development District(RDD) zones (5 acre, 10 acre, and 20 acre) make up almost 80% of the Subarea. The remaining zones make up approximately 15% of the Subarea.

Table 7

Current Subarea Zoning (Lewis County)

ZONE	Area (Acres)	% of Subarea
ARL (Agriculture)	16,471	24.3%
CC	34	0.1%
City	1,662	2.5%
FC	203	0.3%
Forest	3,976	5.9%
Mine	612	0.9%
Park	635	0.9%
RAI	282	0.4%
RDD-10	8,701	12.9%
RDD-20	24,900	36.8%
RDD-5	8,249	12.2%
UGA - Cities	1,862	2.8%
UGA - County	104	0.2%
Total Subarea	67,691	100.00%

Zone Descriptions

Agricultural Resource Lands (ARL) – ARL are lands primarily devoted to agriculture that have long term commercial significance for agricultural production (WAC 365-196-200).

Crossroads Commercial (CC) – CC zone districts are areas that have historically provided rural commercial services, including retail sales of convenience goods and services, for rural residents.

City – These areas are within the city limits of Toledo, Vader, and Winlock. The zoning is administered by the cities. See the city description below for more detailed information on zones in each of the cities.

Forest – Forest lands are lands primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production (WAC 365-196-200)

Freeway Commercial (FC) – FC zone districts supply sufficient areas which promote services to the traveling public, convenient access to major transportation routes, and provide areas for new commercial development.

Mine – The Mine zone are designated as mineral resource lands of long-term commercial significance.

Park – The Park zone is for land designated by the County for recreational uses.

Rural Area Industrial (RAI) – RAI zone districts are areas where industrial activities have existed historically (Local Area of More Intense Rural Development or LAMIRD) and are planned for future activity. This zone should not create a need for urban services or lead to urban development in rural areas.

Rural Development District – The RDD zone is for areas not otherwise designated for other uses with a density of either one unit per five, ten, or twenty acres. This zone will preserve the rural character of the County, allow for a variety of rural residential densities, and protect small rural businesses.

UGA (Cities) – City UGAs are unincorporated areas designated for urban growth within which the city/county interlocal agreements provide for zoning and permitting and which will be ultimately annexed into the Cities.

UGA (County) – These areas are designated for urban growth, but are not associated with a specific city. These areas include fully contained communities, master planned resorts, and major industrial developments.

Cities' (UGA) Plans

Toledo

According to the 2005 Toledo Comprehensive Plan update, almost the entire City and UGA is zoned for residential use (96%), with the remaining area zoned for commercial use. There are 275 acres in the Toledo UGA (not including right-of-way). According to the Lewis County Assessor's data, the current land uses in Toledo's UGA are as follows: 38% public/quasi-public, 31% residential, 17% agriculture, 8% vacant, 4% commercial/retail, and 2% transportation/utilities.

Vader

There are approximately 982 acres in the Vader UGA. The Comprehensive Plan update in 2005 identified the zoning breakdown in the City and the UGA. There are 785 acres of residential (80%), 109 acres of commercial/mixed use (11%), 57 acres of community services (6%), and 32 acres of industrial (3%). According to the Lewis County Assessor's data, the City's current land uses are as follows: 42% residential, 42% vacant residential, 10% agriculture, 2% transportation and utilities, 2% commercial, and 2% public/parks & recreation.

Winlock

The Winlock UGA is approximately 2,190 acres in size. The 2009 Winlock Zoning Map identifies the following breakdown of zoning within the UGA: 1,015 acres residential


(46%), 610 acres industrial (13%), 276 acre mixed use (13%), 185 acres commercial (8%), and 105 acres public facilities (5%). According to the Lewis County Assessor's data, the Winlock UGA's current land uses are as follows: 31% agriculture, 24% residential, 19% mining/forestry, 10% undeveloped/vacant, 5% public/quasi-public, 2% commercial, 2% industrial, 1% transportation/utilities, and 8% other.

Land Use Suitability Analysis

During the early phases of subarea planning GIS data was analyzed to assess land suitability for future development based on the following factors:

- distance from I-5 and major arterials,
- location within UGAs,
- location adjacent to railroad,
- parcel size,
- availability of water/sewer services, and
- the ratio of improvement values to land values.

Each factor had a rating scale and the parcels were assigned a value based on how well they fit the scale. The parcels with the highest total values are the ones most suitable for future development.

According to this analysis, several areas were identified as most suitable for development. Generally, these areas are located in or near the UGAs of Toledo, Vader, and Winlock, are near Interstate 5, or are adjacent to the railroad. The specific areas with large areas of parcels suitable for development include the intersection of SR 505 and I-5, the intersection of US 12 and I-5, and the UGAs of Toledo, Vader, and Winlock. There are additional areas identified as suitable for development along the I-5 and railroad corridors. There are additional parcels scattered throughout the Subarea that are large and near major arterials. The parcels most suitable for future development are shown on Figure  Development Suitability Map.

Related Studies and Plans

Phase One South County Subarea Plan

During the Phase One process, existing conditions were collected and documented. The Steering Committee developed a vision of the South County and principles by which the subarea planning process would be conducted. The market analysis described below was done simultaneously and helped to inform the phase one planning process. However, neither the environmental analysis nor the transportation plan was completed prior to the publication of the phase one plan. Additionally, the adoption of the designation of Agricultural Resource Lands was made after publication of the phase one plan.

Market Analysis

The South Lewis County Regional Market Analysis was prepared by E.D. Hovee & Company as part of this subarea planning effort. The study estimates the demand for particular land uses that forms the basis on which this subarea plan is predicated.

Watershed Plan

The Grays-Elochhman and Cowlitz Watershed Management Plan for Watershed Resource Inventory Areas 25 and 26 was adopted Planning Unit in 2006. The planning unit is a group made up of Lewis, Wahkiakum, Cowlitz and Skamania County Commissioners and a broad range of water use interests. The State Department of Ecology uses the plan as the framework for making future water resource decisions in the Cowlitz watershed.

Environmental Analysis

To inform the South Lewis County Subarea planning process, Washington Department of Fish and Wildlife (WDFW) and Washington Department of Ecology were consulted to analyze habitats and ecosystems, respectively, throughout the subarea. This analysis provides information on natural systems that allows the subarea plan to accommodate growth while avoiding unintended consequences such as loss of local biodiversity or increased flooding. The information will also aid planners in identifying priority areas for protection, conservation or restoration.

Transportation Plan

Perteet Engineering and Cook Engineering and Development Services prepared the South Lewis County Subarea Transportation Plan for the County. Portions of that study are reflected in the Transportation chapter of this subarea plan.

Airport Master Plan

The Lewis County Community Development Department is preparing a Master Plan for the Toledo-Winlock Ed Carlson Memorial Field.

Economic Profile

In South County, there are only 2,600 jobs (7% of the County's jobs) which are half of the jobs that would be expected based on the population (14% of the County's population). The largest employment sectors in the Subarea are finance, insurance, real estate, and services (FIRES) with nearly 900 workers (33%) and agriculture with 600 jobs (24%). The other employment sectors in the Subarea include retail (14%),

education (11%), manufacturing (10%), wholesale trade, transportation, communication, and utilities (WTCU) at 6%, and government (2%).

When compared to the entire County, the South County Subarea is more dependent on agriculture/resource and education jobs and has less FIRES, wholesale, and government jobs. The Subarea is more dependent on blue-collar jobs (36%) than the rest of the County (31%). The Subarea and the County have approximately 20% employment in service jobs. Both the Subarea (44%) and the County (49%) lag behind the State (61%) in white-collar employment. Between 2002 and 2007 Lewis County job growth (0.8%) and wages (\$33,300) lagged behind the entire State (2.1% and \$45,000).

Economic Development Demand Opportunities

Given the Subarea's proximity to road, rail, and air transportation infrastructure, there are opportunities for economic development in South Lewis County. These economic development opportunities fall into different markets, with different demands, with unique advantages and disadvantages. The South Lewis County Regional Market Analysis (SLCRMA) identified eight potential industrial, commercial, and tourism development opportunities for the South Lewis County Subarea.

The SLCRMA identifies four potential industrial uses for the Subarea: manufacturing, distribution, transportation/logistics, and business park.

- **Manufacturing:** While declining nationally, manufacturing has growth potential for specific communities. These potentials are greatest for counties like Lewis that are less urban but in good proximity to major global pathway metro areas such as Portland and Seattle-Tacoma. In order to be competitive, Lewis County must offer outstanding freight transportation capabilities, available skilled and reasonable cost labor, and large competitively priced industrial sites with available infrastructure and no major environmental constraints.
- **Distribution:** Between 2002 and 2006, jobs in wholesale trade and distribution increased by 3.3% per year in Washington. The demand for Distribution Centers (DCs) has shifted to places like Lewis County, outside of the core metro areas, with large sites, and access to transportation infrastructure. DCs add to the tax base, create high wage jobs, and can set the stage for further development. However, DCs require large sites, employ few people, create aesthetic concerns, and have the potential of creating environmental impacts.
- **Transportation/Logistics:** Transportation and logistics developments are more of a long-term option than a short-term solution. There is not much demand for air cargo facilities. To secure a regionally significant facility, it

would be necessary to assemble hundreds of acres of industrial land near rail and the highway. Small-scale transportation and logistics projects, occurring incrementally at dispersed locations, are a possibility in South County. To implement this strategy, it will require time, public and government support, and private investment.

- **Business Park:** This use supports small industrial, commercial, and retail businesses in 1 or 2 story buildings on 5 to 50+ acre sites. This can address the needs of small business, provide an opportunity for the growth of local businesses, and can be phased to match demand. Due to the lack of perceived demand, a business park is only a long-term option once market demand has been established.

The SLCRMA discusses three different commercial development uses for the Subarea: office space, interchange retail, and local-serving retail.

- **Office Space:** The two sources for office demand include locally generated demand (offices serving local population) and externally generated demand (data/call centers). There is not expected to be demand for externally generated office uses in the near future. Local generated demand will grow slowly as population and employment grow in South County. Therefore, there is not expected to be a large increase in future demand for offices in South County.
- **Interchange Retail:** This use includes auto-oriented businesses, near the highway, that serve both travelers and the local population. Interchange retail includes businesses like fast food, coffee shops, sit-down dining, hotel/motels, auto parts and maintenance shops, gift shops, farm supplies, banks, and visitor information. The first wave of development could occur within 3 to 5 years, with small 5 to 10 acres commercial uses anchored by service stations and convenience stores. The second wave of development could occur in the next 10 to 20 years based on the momentum of the first wave.
- **Local-Serving Retail:** According to a study of retail leakage, South County could support 75,000 square feet of locally supported retail. However, additional population and employment is required to meet minimum store size thresholds. Population and job growth will support interchange retail because it is central to the South County population in the three cities and captures visitor demand.

The final economic development market demand is **Tourism Development**. This use is a destination attraction that can change visitation to South County from pass-through to stay-over. Tourism destinations include Mount St. Helens National Volcanic Monument, Winlock Waters, various community events and attractions, and outdoor recreation activities.

Lewis County Industrial Land Supply

The 2005 *Lewis County Industrial Lands Analysis Update* by E. D. Hovee & Company states that of the 1,900 acres of available industrial land in Lewis County, approximately 1,340 are located within cities or their UGAs. According to the report, all but 450 acres of the 1,900 acres have some variation of wetland or floodplain issues or other constraints. There are currently no vacant industrially zoned sites greater than 100 acres and only two sites 50-99.9 acres (totaling 130 acres) that are free and clear of environmental constraints. This factor significantly limits Lewis County's ability to attract larger industrial users, such as another Cardinal Glass or major distribution centers.

Employment Growth and Land Demand

The South County Regional Market Analysis analyzed two different scenarios for future employment growth and associated land demand. The first scenario was predicated on the continuation of recent trends with relatively weak market capture by Lewis County of I-5 corridor employment growth. The second scenario assumed that Lewis County will stimulate economic development in South Lewis County through the adoption of policies and regulations pursuant to the South Lewis County Subarea Plan. The findings of the analysis for the second scenario were used in developing the land use recommendations of this plan.

Table 5

South County Employment Scenarios

Type of Jobs	Number of Jobs		
	2010-15	2015-30	2010-30
Industrial	390	2,530	2,920
Retail/Commercial	235	1,710	1,945
Tourism	105	755	860
Total Jobs	730	4,995	5,725

Source: E. D. Hovee & Company

Developable land needs to be in place to facilitate the businesses that will create the job growth. The SLCRMA predicts a need of about 1,000 net acres by 2030. The largest need for land is for industrial use.

Table 6

South County Land Requirements

Land Use	Acres of Land		
	2010-15	2015-30	2010-30
Industrial	97	632	730
Retail/Commercial	14	105	119
Tourism	67	64	130
Total Acres	178	801	979

Source: E. D. Hovee & Company

These land requirements are for net acres of land. This does not include the land that is required to be set aside for environmentally sensitive lands, a market factor, and long-term land reserves. As a result, more land will be required. While the gross/net ratio varies based on land-use type and location, for the purpose of this study, a ratio of three gross acres per one net acre was used. Therefore, in rounded numbers, may require approximately 3,000 gross acres of land to meet the predicted demand.

Alternatives Considered

Economic development in South County will require available land for development with urban infrastructure. There is existing developable land within the three existing UGAs in the Subarea, especially the Winlock UGA, but infrastructure is currently not available in all locations. The Advisory Committee engaged in a process to identify locations where growth within the Subarea could occur in the future. Generally, the alternatives involve expansion of existing UGAs and/or creating new UGAs where the estimated demand for urban land exceeds the current capacities of the cities and UGAs.

There are currently four UGAs in the Subarea, including those associated with Toledo, Vader, and Winlock, and a County UGA (located on Avery Road W. approximately 2 miles west of I-5). The Winlock UGA includes approximately 500 acres of industrially zoned land and 100 acres of commercially zoned land adjacent to Interstate 5 at Exit 63.

The County UGA was created for the Cardinal Glass industrial development, and is substantially developed. According to Lewis County Assessor's data, there are approximately 207 acres of vacant commercial and mixed-use land and 503 acres of vacant industrial land within the Winlock UGA. A 32 acre parcel in Vader adjacent to both rail and highway.

Preliminary Alternatives Analysis

Background

The 2009 Phase One process defined a potential market demand for 800 acres of industrial and commercial land in South County by 2030. That analysis indicated the following in net acres:

- 600 acres for industrial uses (including manufacturing, processing, warehousing, and transportation uses;
- 100 acres for retail and service business uses; and
- 100 acres for tourism-related uses.

These numbers are rounded to the nearest 100. In order to arrive at this net demand, the estimated gross land area could be as much as 3,000 acres to accommodate public infrastructure, critical areas and other open spaces, and the

market factor that acknowledges some land will not be available for development. The market analysis did not forecast a demand for future urban residential developments. The Cities' comprehensive plans will be the basis for showing any new residential urban growth areas.

During Phase One, sites were identified throughout South County as potential future urban growth areas to meet the demand. The principles used to do this were:

Sites Should Have:	And	Sites Should Support Development That:
Logical Locations		Avoids Impacts - or
Appropriate Access		Minimizes Impacts - or
Large Parcels		Mitigates Impacts

The Phase One report described the sites that were felt to meet the first 3 principles. At that time, no detailed analysis of the actual development potential was completed. The Phase One process also included analyses of the subarea hydrology and wildlife habitat conditions by the state Departments of Ecology and Fish and Wildlife. Late in 2009, the Board of County Commissioners adopted new land use designations and zoning for Agricultural Resource Lands (ARL) throughout the county. These actions set the stage for the next round of site alternative development.

Secondary Alternatives Analysis

Using the additional information relating to hydrology, prime habitat and agricultural resource lands described above, the land use concept for South County was refined to better define the range of potential urban growth areas.

- Six areas were studied using the available County and State data. These areas are identified as "Frost Road", "Highway 12 & I5 Eastside", "Highway 12 & Westside", "SR 505 & I5", "SR 506 & I5", and "Toledo".
- Within these areas, concentrations of land that meet the criteria for urban scale development were identified. It was assumed that site constraints such as critical areas, existing development, or parcel size requires that more land be designated in order to accommodate avoidance or mitigation requirements with a resulting net acreage that coincides with the market analysis.
- For each area, parcel sizes and ownerships, topography, critical areas, priority habitat areas, existing development, and existing wells were mapped.

Preferred Alternative

Industrial Areas

Of the 600 net acre demand, the industrial portion of the Winlock UGA would supply approximately 250-300 acres using the SLCRMA deduction factors for infrastructure, critical areas, and market factor. Therefore, the Subarea Plan should designate approximately 300-350 additional net acres as industrial UGA. This would compute to approximately 900-1,000 gross acres, depending upon the actual characteristics of the sites.

The Preferred Alternative identifies a potential industrial UGA location totaling approximately 500-600 gross acres, most of which is not constrained by known critical areas. The "SR 505 – Jackson Highway Area" is located north of the SR 505/Jackson Highway intersection and slightly more than one mile east of I-5.

Regional Retail and Services Center/Tourism-Related UGA

The market demand of 100 net acres for regional retail and services center and the 100 net acres for tourism-related uses should be located at Exit 63 ("SR 505 Area"). The designated UGA east of Interstate 5 and north and south of SR 505 would total approximately 280 gross acres. Portions of the Winlock UGA at this interchange could also be used for regional retail/services and tourism related uses.

Urban Reserve Areas

The Preferred Alternative also identifies a potential 430 gross acre Urban Reserve Area designation on both sides of I-5 at Exit 60 adjacent to SR 506. This designation would overlay the current rural zoning and would restrict the area from further subdivisions creating lots smaller than 20 acres until planning for urban services and facilities can be executed.

Implementation

The current Comprehensive Plan policy framework does not provide a basis for designation of new (non-municipal) UGAs for accommodating uses as discussed in the subarea planning process. The current designations for most of these economic development types of uses are limited to small rural areas such as LAMIRDs, etc. While the current policies do not specifically prohibit or discourage non-municipal UGAs, the County's practice has been to rely on the cities to propose UGAs or UGA expansions. Policies LU 8.1, LU 8.2 and LU 8.3 are good in setting the stage for *"designating sites for industrial uses", "maintaining an adequate supply of prime industrial land within designated urban growth areas", and "allowing designation of Major Industrial Developments and Master Planned Locations outside of UGAs"*.

Policy language should be adopted that will provide for the designation of Non-municipal economic development UGAs through a subarea planning process in which:

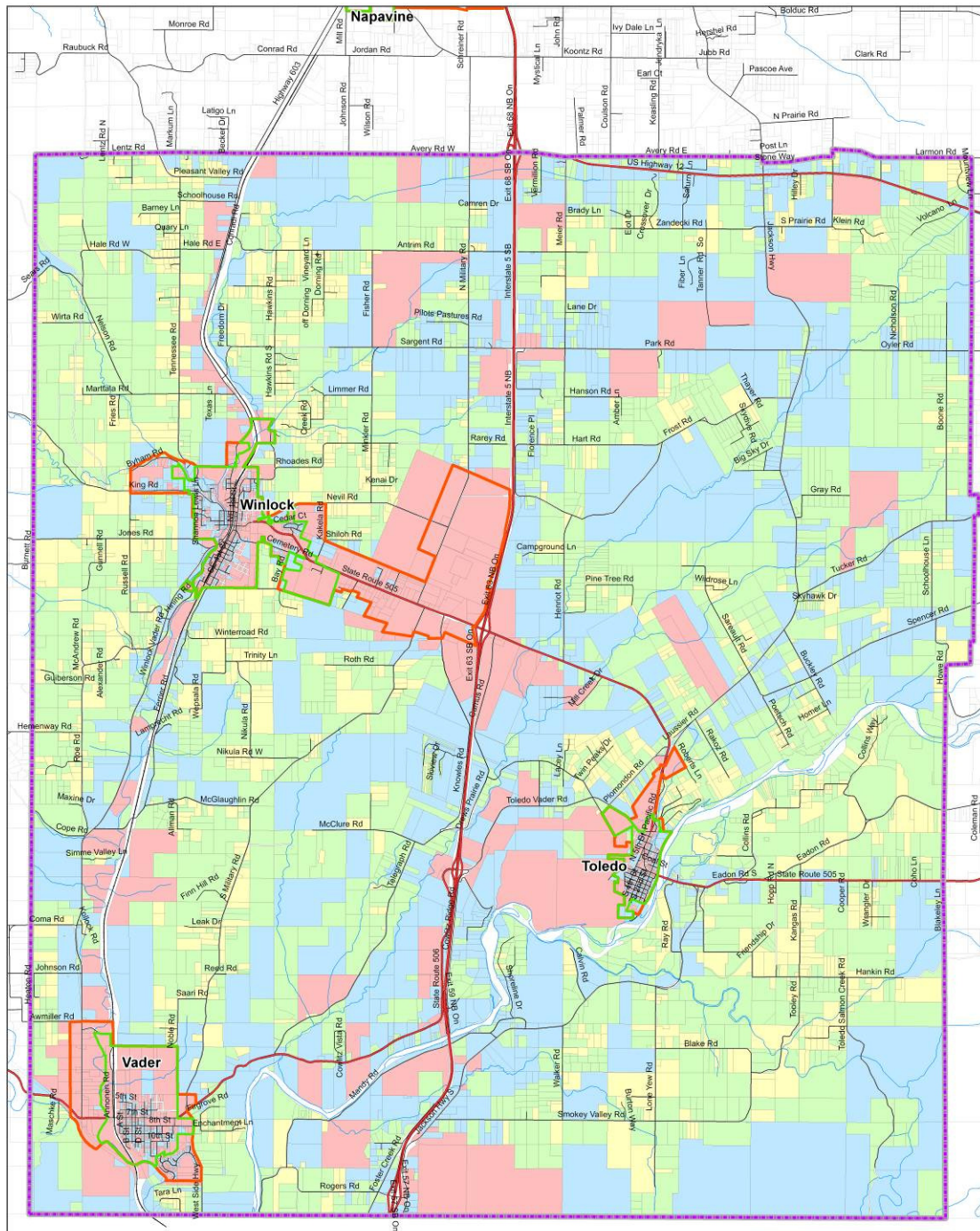
- The subarea plan has identified locations suited to major industrial, mixed use retail/commercial, or regional tourist-oriented uses due to proximity to transportation or resource assets, parcel sizes, and land suitability for intensive development.
- A programmatic environmental review of the subarea plan has been completed.
- An economic/market analysis has concluded that the 20-year supply of developable urban land is inadequate to meet future demand.

- Development regulations for review and approval of specific economic development projects through a binding site plan have been adopted to ensure that urban growth will not occur in adjacent rural and resource lands; development is consistent with the county's critical area regulations; infrastructure requirements are identified and provided concurrent with development. Such infrastructure, however, may be phased in with development; and provision for addressing environmental protection is made.
- A mechanism for using development credits from subarea rural or resource lands has been established to increase the development capacity of the UGA.
- Preservation of critical areas and resource lands has been planned for.

Implementation of the Preferred Alternative will also require adoption of provisions in the Comprehensive Plan that will enable designation of Urban Reserve Areas (URA).

The URA overlay is intended to be applied and implemented through later development, only in those cases where ensuing development can provide a significant number of family wage employment opportunities in an environmentally sensitive manner, and in cases where current market conditions and/or infrastructure and service provisions do not warrant initial designation or development of such uses.

The Urban Reserve Area overlay should be applied at sites well served by existing or planned transportation systems, or adjacent to uses that promote economic development.



South County SubArea Development Suitability



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Legend

- SubArea
- Cities
- UGAs
- Suitability
 - Nominal
 - Low
 - Moderate
 - High

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